GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5282
ANSWERED ON:22.12.2000
BANK LOSSES DUE TO NON AUTOMATION
SHIVAJI VITHALRAO KAMBLE

Will the Minister of FINANCE be pleased to state:

(a) whether lack of automation is costing Nationalised Banks substantial loss of income;

(b) if so. the details thereof, bank-wise; and

(c) the details of fresh initiatives taken/proposed to provide technology solutions to the Nationalised Banks connecting chain of their branches for cost effective and efficient operations?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) and (b) Reserve Bank of India has reported that 61.45 percentage of business of publicsector banks has been computerised as on 30th September, 2000. Public Sector Banks arelikely to computerise 70% of their business before 1st January, 2001. It is difficult to make assessment of loss, if any, to public sector banks due to lack of automation.

(c) Various public sector banks are undertaking steps to computerise more number of branches, open more ATMs and operationalising networking of branches. Reserve Bank of India is alsopursuing implementation of Payment System Generic Architecture Model by the banks and process improvements in other areas such as Electronic Clearing Service.